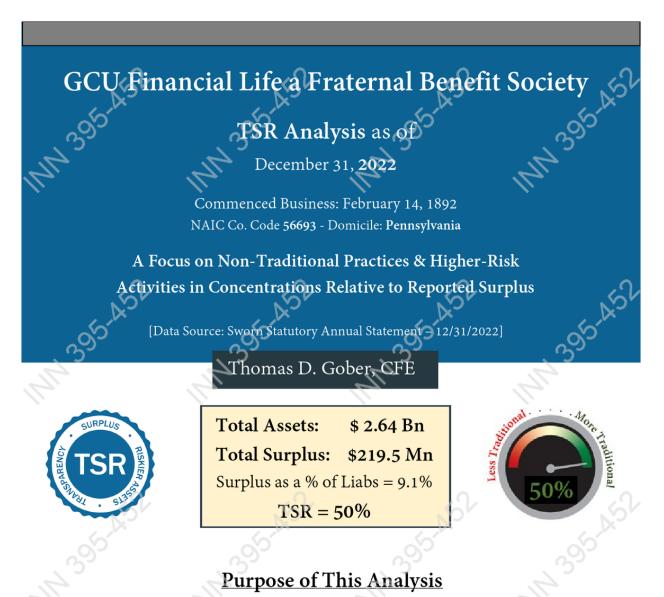
Report Generated On: Jun 22, 2023 01:18 PM US/Eastern



Certain detailed financial information of insurance companies is difficult - and in some instances - impossible to obtain, particularly by policyholders and agents. While rating agencies provide ratings and written summaries of financial highlights, the life and annuity industry is not nearly as traditional as they were in the past. The ratings agencies might refer to some of the non-traditional practices, but with little detail or their impact on surplus. We are not alone in these concerns. Recent articles and papers from Federal Reserve researchers express similar concerns.

The purpose of detailing the financial content in this report is intended to address certain investment and/or reinsurance practice concentrations *relative to Surplus*. Most importantly, life, annuity and pension products represent substantially *longer-term promises* than most insurance industries. Where non-traditional practices are high relative to surplus, the companies can be acutely vulnerable to investment or economic downturns, especially for such long-term commitments.

INTRODUCTION

SECTION I

Thomas D. Gober, CFE



Thomas D. Gober has been fighting fraud for over 30 years. Mr. Gober is a Certified Fraud Examiner (CFE) who has worked fraud cases of all types...from Healthcare Fraud to Federal Grant Fraud to Bank Embezzlement.

But his primary focus for 37 years has been fighting to protect insurance policyholders. His policyholder protection expertise runs the gamut of insurance operations. If an insurance company abuses its policyholders via claims delays or denials, false advertising, misrepresentation of policy benefits (failure to act in good faith) or if the insurance company falsifies its balance sheet to disguise its hazardous financial condition,

Mr. Gober serves some of the most respected attorneys in the U.S. to help policyholders find justice.

SECTION ID



Purpose of the TSR% Ratio

If asked by my father if *XYZ Life* is a good company, safe enough to entrust with his retirement funds, I would know where to look; insurer solvency has been my focus for 37 years. Today I must dig deeper than in years past. For-profit life & annuity carriers have grown rapidly in size and risk exposure, but their Surplus (buffer to protect customers) has largely shrunk relative to those risks. To give a life insurer the green light I must be comfortable with at least three categories not commonly understood or disclosed:

<u>T</u>ransparency - Are their reinsurance relationships *transparent*? - with independent, well-capitalized partners or are they *affiliates* based in *secrecy jurisdictions*?

 \underline{S} urplus - Is the company's **Surplus** adequate for their risk profile – a sufficient buffer to weather economic downturns like 2008?

<u>R</u>iskier Assets - Are the company's assets readily marketable (liquid) and not overly concentrated in *riskier asset* categories relative to their Surplus?

SECTION III

Trends & Findings:

Identifying Non-Traditional & Higher Risk Activities

A. The R-Factor: Higher-Risk Investment Concentrations Relative to Reported Surplus

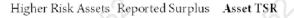
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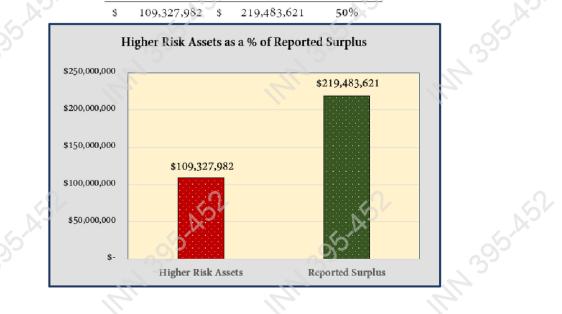
GCU - A Fraternal Life Company

TSR Analysis as of December 31, 2022

Total Assets:	\$	2,641,748,388
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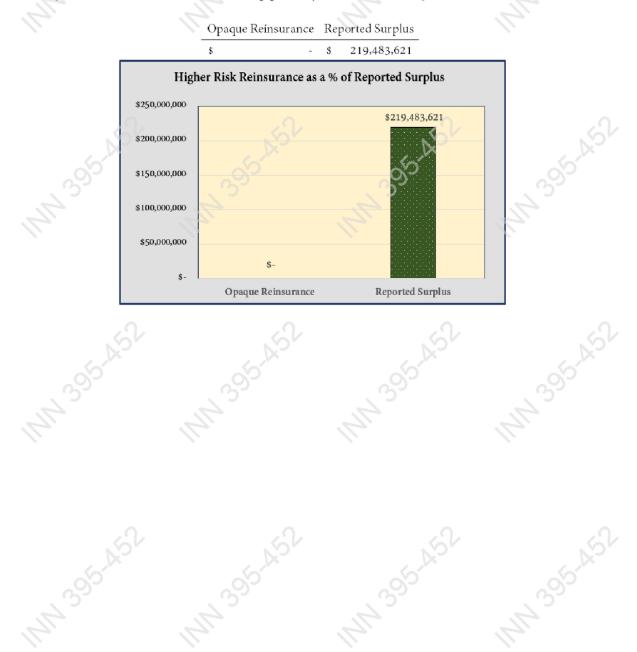
Total Liabilities:	\$ 2,422,264,767	Surp/Liabs
Total Surplus:	\$ 219,483,621	9.1%
Higher-Risk Assets	Carrying Value	% of Surplus
RMBS/Other Ln-Backed/SVO	\$ 28,070,151	13%
Affiliated Common Stocks	\$ 22,445,414	10%
Commercial Mortgages	\$ 1,785,000	1%
Other Invested Assets (Sch BA)	\$ 55,912,445	25%
Derivatives	\$ 1,114,972	1%
	\$ 109,327,982	50%





B. The T-Factor: Lack of Transparency in Ceded Reinsurance Relative to Surplus

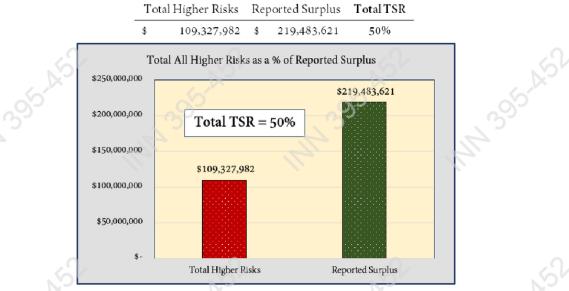
GCU Financial Life is a fraternal benefit society that commenced business in February 1892. Their investment practices have been consistently conservative - in keeping with a Fraternal Benefit Society's emphasis on long-term commitments to its members. Total 2022 annuity considerations were \$375 million and \$11.5 million in life premiums. Note below that GCU has not engaged in any affiliated or non-transparent reinsurance.





Summary of Findings & Conclusion

Our TSR analyses continue to reflect that most fraternals, like GCU, operate in a prudent and traditional manner in both their investment portfolios and transparency in their reinsurance ceded programs. With a total TSR score of 50%, GCU could withstand a write-down of 100% of all its higher risks and yet have a comfortable surplus buffer. At 50%, GCU continues to have the lowest Total TSR score since we began assessments of life and annuity carrier statutory data from 12/31/2019.



[If 100% of GCU's All Higher Risks were written down, ample surplus would remain.]

Guaranty Association Funding

U.S. life & annuity (L&A) carriers (excluding fraternal insurers) must be members of Guaranty Associations (GAs) and are subject to assessments (to financially cover insolvent insurer's policyholders) in each state in which they conduct business. The intent is to act as the insurance industry's solvency safety-net, like FDIC for banks.

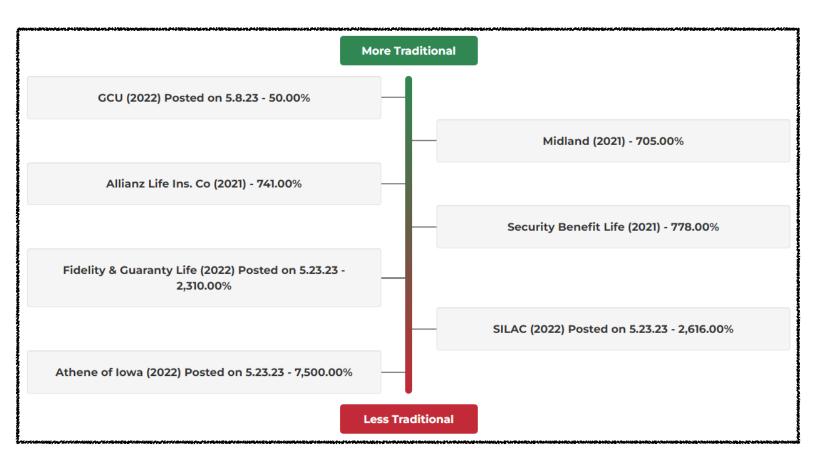
However, there are no preemptive accumulation of funds to quickly fill any industry financial shortfalls created by an insolvent carrier. Funds needed for an insolvent carrier must be assessed retroactively to all admitted carriers. Thereby emphasizing the importance of conducting a diligent surplus comparative review to higher risk assets and affiliated reinsurance arrangements to make appropriate and suitable carrier selections.

All Company-Specific Financial Information included herein was taken directly from the Company's Sworn Statutory Annual Statements. Unless stated otherwise, the financial information is from the December 31, 2022, Sworn Statutory Annual Statement.

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<u>The TSR Continuum</u>

The TSR Ratio Continuum displays the insurance carriers in a dynamic graph based upon their TRS Ratio score. The lower the TSR Ratio score the more transparent, solvent, and fewer riskier assets an insurance company has.





Secu AQUILA Fixed indexed annuity

WHY GCU?

GCU focuses on **protecting families** and **strengthening communities** since **1892**, with over **\$2.3 billion in assets**.



An insurance company that focuses on giving back to its members.

Simply owning a policy makes you a member of the GCU family.



Why Consider a Fixed Deferred Annuity?

Fixed deferred annuities offer principal protection and principal growth.

Fixed annuities are insurance products designed to INSURE that you will never lose your money and offer the ability to create an income stream that you cannot outlive.

Tax-Deferred Growth

The money in your annuity grows taxdeferred, which means you will not pay taxes until you start taking your money. Therefore, it may help your savings accumulate faster.

Lifetime Income

There are several income options once you are ready to receive your retirement income. You can receive income as a single payment, as a series of regular payments over a specific period or as income for life, even when the value of the annuity is zero.

Avoids Probate

You have the capability of naming beneficiaries to receive the death benefit upon your death. Your beneficiaries will receive a death benefit equal to the account value if you die before receiving income payment. If you are receiving income payments, your beneficiaries may still be able to get the remaining payments, depending on the type of income stream you choose.

Valuable Guarantees

If you need access to your money, you may surrender your contract and will receive at least a guaranteed minimum value as defined in your policy.

Fixed Indexed Offer Additional Benefits

A fixed index annuity has the ability to credit interest based on changes within a market index. Fixed annuities credit interest calculated at a fixed rate based on the insurance company's assets.

A market index can vary and is not predictable, therefore the interest credited through a fixed index annuity could be more or less than the interest from a traditional fixed annuity.

You control where your money is allocated!

Most fixed indexed annuities allow you to allocate your premium, between index strategies or even to a traditional fixed interest strategy. No matter how you choose to allocate your premium, (fixed interest, indexed interest or a combination of both), this benefit can make it a valuable part of your overall retirement strategy.



YOU choose where your money is allocated between any of the interest crediting strategies!

The Aquila X annuity earns interest in two ways:

- 1. A fixed rate that is guaranteed for the first year. The fixed rate is guaranteed to be at least 1.0% while the annuity is in effect. And the rate will be declared at the beginning of each contract year.
- 2. The Barclays Zorya index is measured based on the returns over a 1-year period or a 2-year period. The value of this annuity also may grow through indexed returns. The amount of the index-linked interest depends on how the Barclays Zorya Index performs. Each index period is measured independently, so you get the advantage of resetting to the current index values each time. The Barclays Zorya Index creates a diversified portfolio by combining US Equities and Fixed Income. The Index seeks to enhance return and manage risk exposure by adjusting the portfolio's assets allocation on a monthly basis. The Index aims to maintain its annual volatility level at or below 5%.

How is the index interest credited to your account?

This is based on the participation rate applied to the Barclays Zorya Index returns. The participation rate determines how much of the gain will be credited to the index interest strategy. The participation rates that are set will affect the account value only if there is a positive change in the Barclays Zorya Index from one year to the next. We apply the participation rate only if there are positive returns at the end of each contract year. The participation rate could change each year. GCU guarantees the participation rate will never be less than 100% during the contract surrender charge period. Interest earnings credited will never be less than zero, even if the index returns are negative. At the end of each crediting period, any gains are locked in and can never be taken away.

Can you make additional deposits?

The Aquila X annuity allows for additional deposits up to the annuity's 1st anniversary date.

Here is how the participation rate works:

Hypothetical Example

Participation rate: 115% Barclays Zorya beginning value is: 100 Barclays Zorya ending value is: 107

Formula: Increase in Index = (Ending Zorya Value – Beginning Zorya Value) / Beginning Zorya Value) Increase in Index = (107-100) / 100 = 7%

Interest credited = (Increase in Index) x (Participation Rate)

Interest Credited = 7% x 115% = 8.05%

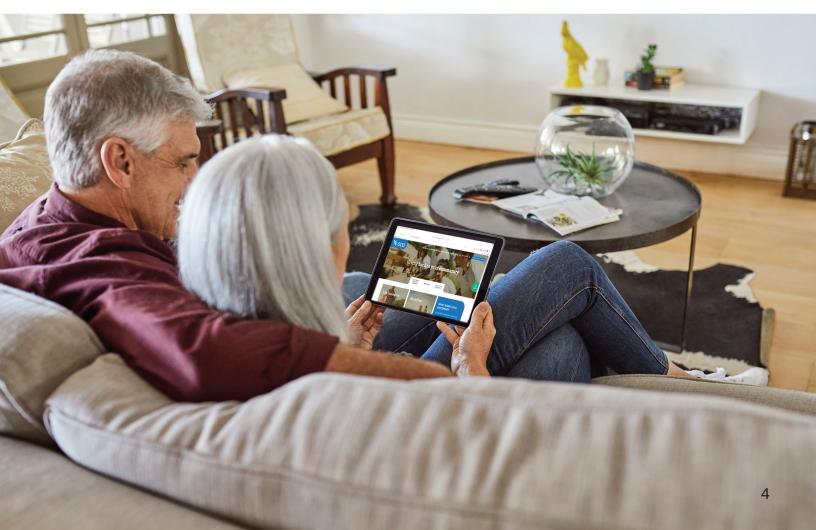
ACCESS TO YOUR MONEY

PENALTY FREE WITHDRAWALS

In the first 10 contract years, you can withdraw money from your annuity once a contract year without paying a surrender charge. The most you can withdraw each year without paying a surrender charge is 10% of the total account value. The minimum withdrawal amount you can take is \$500 and you must maintain at least \$2,000 in the annuity to maintain it.

The cumulative withdrawal rider features the ability to defer the 10% penalty free withdrawal to the next policy year. The maximum deferral or penalty-free withdrawal is capped at 30%. In any policy year where any withdrawal is taken, regardless of the amount the maximum withdrawal resets back to 10% for the next policy year.

Required Minimum Distributions from IRA are mandated by the IRS for anyone over the age of 72 for tax qualified money each calendar year. These withdrawals are considered part of your penalty free withdrawal and will not be subject to a surrender charge or the bonus recapture.



Living benefit riders help you when you need access to your money

Terminal Illness Rider will allow you, at any time after the first policy year, to receive up to 100% of the account value when diagnosed with a terminal illness resulting in a life expectancy of twelve months or less.

Nursing Home Rider will allow you, at any time after first policy year plus 90 days of continual confinement, to receive up to 100% of the account value. We would require annual written proof of confinement.

Wellness Benefit Enhancement Rider* At any time after reaching the Minimum Lifetime Withdrawal Election Age (and after the GLWB Waiting Period and the Wellness Waiting Period), the annuitant may elect to receive Wellness Withdrawals by meeting ALL of the following criteria:

- 1. Home Health Care Services begin after this Rider's effective date;
- 2. The current Account Value is greater than zero; and
- 3. Written proof from a gualified Physician of inability to perform at least two (2) of the six (6) Activities of Daily Living (ADL's).

*PLEASE NOTE: This rider will be offered only if the annuitant is an owner. If the base contract has JOINT owners, GCU will attach this rider only if the JOINT owners are spouses.

Guaranteed Income for your life, to ensure that you will never out live your money.

Income Elevate: is a revocable lifetime income benefit that is calculated by taking an income factor times the account value to determine the lifetime annual payment. This income rider benefit is automatically attached to your annuity free of charge. (See rider disclosure for full explanation of this benefit).

Optional Enhanced Lifetime Withdrawal Benefit Riders

Income Pro: is an optional revocable lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

Income Elite: is an optional revocable lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. An additional benefit you receive when you choose this rider is a 10% bonus based on the first year premiums in your Aquila X. The 10% bonus also applies to the income benefit base so your income opportunity increases when you choose. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

Premium Bonus: is only available when the Income Elite rider is chosen.

- The premium bonus is determined by taking 10% of the first-year premiums.
- This bonus receives the same interest credits that the rest of your policy receives.
- Applies to both your account value as well as your income benefit base.

Bonus Recapture Schedule

- When you take more than the penalty free available a bonus recapture will be applied to the withdrawal.
- Death benefits are excluded from the bonus recapture.
- The bonus is fully vested starting year 11 of the policy.

Contract Year	1	2	3	4	5	6	7	8	9	10
Recapture Percentage	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%

How the Guaranteed Lifetime Withdrawal Benefit Works:

The Income Benefit Base is determined by which Income option you choose. This value is determined by the account value plus interest credits plus bonus (if selected Income Elite) The Income Elevate applies 1x interest credits to determine the Benefit Base. Income Pro and Income Elite contain a 2x multiplier of interest credits during the 10-year surrender charge period.

How It Works:

Income Benefit Base x Income Factor = Lifetime Annual Income Benefit

Income factors are based on your attained age. The factors increase each year that you wait to begin receiving income payments. Once you start receiving your guaranteed income, it will remain level for your lifetime regardless if your account has reached a zero balance.

ELEVATE LIFETIME INCOME FACTORS

	Single Life					Join	t Life	
Attained Age	Income Factor	Attained Age	Income Factor		Attained Age	Income Factor	Attained Age	Income Factor
55	3.50%	68	4.80%		55	3.00%	68	4.30%
56	3.60%	69	4.90%		56	3.10%	69	4.40%
57	3.70%	70	5.00%		57	3.20%	70	4.50%
58	3.80%	71	5.10%		58	3.30%	71	4.60%
59	3.90%	72	5.20%		59	3.40%	72	4.70%
60	4.00%	73	5.30%]	60	3.50%	73	4.80%
61	4.10%	74	5.40%]	61	3.60%	74	4.90%
62	4.20%	75	5.50%	1	62	3.70%	75	5.00%
63	4.30%	76	5.60%		63	3.80%	76	5.10%
64	4.40%	77	5.70%		64	3.90%	77	5.20%
65	4.50%	78	5.80%		65	4.00%	78	5.30%
66	4.60%	79	5.90%		66	4.10%	79	5.40%
67	4.70%	80+	6.00%		67	4.20%	80+	5.50%

Death Benefit

If you die before we start to pay you income from your annuity, your beneficiary can choose to get the accumulation value of your annuity as one payment or as a series of payouts over time. If you die after payouts start, depending on the type of payout you chose, we pay the remaining value in the annuity, if any, to your beneficiary.

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Current INDEXED Rates as of 06-01-2023

INDEX	TERM / INDEX STRATEGY	CURRENT PARTICIPATION RATE*	MINIMUM RATE FIRST 10 YEARS	MINIMUM RATE AFTER 10 YEARS
Barclays Zorya 5% Index	1-Year Point-to-Point with Participation	130%	100%	25%
Barclays Zorya 5% Index	2-Year Point-to-Point with Participation	160%	100%	25%
Barclays US Tech Index	1-Year Point-to-Point	60%	40%	25%
Barclays US Tech Index	2-Year Point-to-Point	85%	40%	25%
Fixed Rate	1-Year Term	4.00%	1%	1%

1-Year Point-to-Point Index Strategy:

Index credits are based on the percentage change depending on your index allocation from the previous contract anniversary, multiplied by the participation rate. Minimum participation rates for both the Zorya and US tech Index are shown above.

2-Year Point-to-Point Index Strategy:

Index credits are based on the percentage change depending on your index allocation from the previous 2 contract anniversaries, multiplied by the participation rate. Minimum participation rates for both the Zorya and US Tech index are shown above.

FIXED-Rate Account (1-Year Interest):

The fixed account interest rate is guaranteed for the first contract year. On contract anniversary, the interest rate will adjust to a new declared interest rate but will never be lower than the Minimum Guaranteed Interest Rate, currently 1.75% for new contracts issued on or after October 31, 2022. Additional premiums received in the first contract year after the initial premium are deposited to the Fixed Account. On contract anniversary, the owner may reallocate funds in the Fixed Account to available Indexed Accounts subject to established minimums.



GCU does not offer investment advice to any individual or agent and this material should not be construed as investment advice.



AGENT SERVICES 855.306.0608 AGENT USE ONLY

AudRev#129 06-01-2023

FEES & OTHER CHARGES

W A South

When you take money from your annuity, you may lose some or all your credited interest. If you take out all (a full surrender) or part (a partial surrender) of the money, you also may have to pay a surrender charge. The amount of the charge depends on how long you have had the annuity and how much you withdraw.

Here is the surrender ch	narge schedule	e:		
Contract year 1	2 3 4	5 6	7 8	9 10
Surrender charge 9%	8% 7% 6%	5% 4%	3% 2%	1% 0.50%

Disclaimer

Neither Barclays Bank PLC ("BB PLC") nor any of its affiliates (collectively 'Barclays') is the issuer or producer of GCU Aquila X and Barclays has no responsibilities, obligations or duties to investors in GCU Aquila X. The Barclays Zorya Index, together with any Barclays indices that are components of the Barclays Zorya Index owned by Barclays and, together with any component indices and index data, is licensed for use by GCU as the issuer or producer of GCU Aquila X (the 'Issuer').

Barclays' only relationship with the Issuer in respect of the Barclays Zorya Index is the licensing of the Barclays Zorya Index, which is administered, compiled and published by BB PLC in its role as the index sponsor (the 'Index Sponsor') without regard to the Issuer or the GCU Aquila X or investors in the GCU Aquila X. Additionally, GCU as issuer or producer of GCU Aquila X may for itself execute transaction(s) with Barclays in or relating to the Barclays Zorya Index in connection with GCU Aquila X. Investors acquire GCU Aquila X from GCU and investors neither acquire any interest in the Barclays Zorya Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in GCU Aquila X. The GCU Aquila X is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the GCU Aquila X or use of the Barclays Zorya Index or any data included therein. Barclays shall not be liable in any way to the Issuer, investors or to other third parties in respect of the use or accuracy of the Barclays Zorya Index or any data included therein.

Barclays Index Administration ("BINDA"), a distinct function within BB PLC, is responsible for day-to-day governance of BB PLC's activities as Index Sponsor.

To protect the integrity of Barclays' indices, BB PLC has in place a control framework designed to identify and remove and/or mitigate (as appropriate) conflicts of interest. Within the control framework, BINDA has the following specific responsibilities:

- oversight of any third party index calculation agent;
- acting as approvals body for index lifecycle events (index launch, change and retirement); and
- resolving unforeseen index calculation issues where discretion or interpretation may be required (for example: upon the occurrence of market disruption events).

To promote the independence of BINDA, the function is operationally separate from BB PLC's sales, trading and structuring desks, investment managers, and other business units that have, or may be perceived to have, interests that may conflict with the independence or integrity of Barclays' indices. Notwithstanding the foregoing, potential conflicts of interest exist as a consequence of BB PLC providing indices alongside its other businesses. Please note the following in relation to Barclays' indices:

- BB PLC may act in multiple capacities with respect to a particular index including, but not limited to, functioning as index sponsor, index administrator, index owner and licensor.
- Sales, trading or structuring desks in BB PLC may launch products linked to the performance of a index. These products are typically hedged by BB PLC's trading desks. In hedging an index, a trading desk may purchase or sell constituents of that index. These purchases or sales may affect the prices of the index constituents which could in turn affect the level of that index.
- BB PLC may establish investment funds that track an index or otherwise use an index for portfolio or asset allocation decisions.

The Index Sponsor is under no obligation to continue the administration, compilation and publication of the Barclays Zorya Index or the level of the Barclays Zorya Index. While the Index Sponsor currently employs the methodology ascribed to the Barclays Zorya Index (and application of such methodology shall be conclusive and binding), no assurance can be given that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any constituent within the Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. In certain circumstances, the Index Sponsor may suspend or terminate the [Index / Indices]. The Index Sponsor has appointed a third-party agent (the 'Index Calculation Agent') to calculate and maintain the Barclays Zorya Index. While the Index Sponsor is responsible for the operation of the Barclays Zorya Index, certain aspects have thus been outsourced to the Index Calculation Agent.

Barclays

- 1. makes no representation or warranty, express or implied, to the Issuer or any member of the public regarding the advisability of investing in transactions generally or the ability of the Barclays Zorya Index to track the performance of any market or underlying assets or data; and
- 2. has no obligation to take the needs of the Issuer into consideration in administering, compiling, or publishing the Barclays Zorya Index.

Barclays has no obligation or liability in connection with administration, marketing, or trading of the GCU Aquila X.

The licensing agreement between GCU and BB PLC is solely for the benefit of GCU and Barclays and not for the benefit of the owners of the GCU Aquila X, investors or other third parties.

BARCLAYS DOES NOT GUARANTEE AND SHALL HAVE NO LIABILITY TO THE PURCHASERS AND TRADERS, AS THE CASE MAY BE, OF THE TRANSACTION OR TO THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BARCLAYS ZORYA INDEX OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BARCLAYS ZORYA INDEX. BARCLAYS MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BARCLAYS ZORYA INDEX INCLUDING, WITHOUT LIMITATION, THE INDICES, OR ANY DATA INCLUDED THEREIN. IN NO EVENT SHALL BARCLAYS HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES, OR ANY LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES SAVE TO THE EXTENT THAT SUCH EXCLUSION OF LIABILITY IS PROHIBITED BY LAW.

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Products issued by GCU 5400 Tuscarawas Road Beaver PA, 15009 800.722.4428

GCU AQUILAX FIXED INDEXED ANNUITY

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Strength | Stability | Security

Why GCU...

GCU is a life insurance & annuity company based in the Greater Pittsburgh, PA area with assets of over \$2.6 billion and over 50,800 members across the United States. GCU was founded in 1892 by a group of immigrant coal miners and steel workers. Unable to receive life insurance coverage due to their dangerous professions, they formed GCU with a meager \$600 in assets.

Through forward thinking and entry into the annuity market in 1977, GCU is a trusted

financial and life insurance company. We build strategic partnerships with our agents and have earned and kept the trust of generations of members. This has been the hallmark of the organization since its founding.

Many things have changed since 1892, but GCU's fundamental goals remain the same—

"Protecting Families, Promoting Faith & Fellowship, Strengthening Communities"

109.9% Solvency Ratio^{*}

Peer Comparison	Solvency Ratio
GCU	109.9%
Northwestern Mutual Life	109%
Massachusetts Mutual	109%
Ameritas Life	107%
Midland National	107%
Protective Life	107%
Pacific Life	106%
United of Omaha	106%
Prudential Insurance	106%
Nationwide Life	105%
Minnesota Life	105%
Ohio National Life	105%
Symetra Life	105%
Fidelity & Guaranty Life	103%

Financial Facts



96.2% of Bond Portfolio is Investment Grade Securities





Summary of Financial Statistics					
	12/31/22				
Assets	\$2.64 Billion				
Surplus (Net Worth)	\$219.5 Million				
Total Adjusted Capital	(TAC) \$238.5 M				
Solv. Ratio by Total Adj.	Capital 109.9%				

Providing Quality Annuity Products for Over 4 Decades!

*As of 12/31/2022

WHY GCU?

GCU has focused on **protecting families** and **strengthening communities** since **1892**, with over **\$2.7 billion in assets**.



An insurance company that focuses on giving back to its members.

Simply owning a policy makes you a member of the GCU family.



Why Consider a Fixed Deferred Annuity?

Fixed deferred annuities offer principal protection and principal growth.

Fixed annuities are insurance products designed to insure that you will never lose your money and offer the ability to create an income stream that you cannot outlive.

Tax-Deferred Growth

The money in your annuity grows taxdeferred, which means you will not pay taxes until you start taking your money. Therefore, it may help your savings accumulate faster.

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There are several income options once you are ready to receive your retirement income. You can receive income as a single payment, as a series of regular payments over a specific period or as income for life, even when the account value of the annuity is zero.

Avoids Probate

You have the capability of naming beneficiaries to receive the death benefit upon your death. Your beneficiaries will receive a death benefit equal to the account value if you die before receiving income payment. If you are receiving income payments, your beneficiaries may still be able to get the remaining payments, depending on the type of income stream you choose.

Valuable Guarantees

If you need access to your money, you may surrender your contract and will receive at least a guaranteed minimum value as defined in your policy.

Fixed Indexed Annuities Offer Additional Benefits

A fixed indexed annuity has the ability to credit interest based on changes within a market index. Fixed annuities credit interest calculated at a declared fixed interest rate.

A market index can vary and is not predictable, therefore the interest credited through a fixed index annuity could be more or less than the interest from a traditional fixed annuity.

You control where your money is allocated!

Most fixed indexed annuities allow you to allocate your premium between index strategies or even to a traditional fixed interest account. No matter how you choose to allocate your premium, (fixed interest, indexed interest or a combination of the two), this benefit can make it a valuable part of your overall retirement strategy.



YOU choose where your money is allocated between any of the interest crediting strategies!

The Aquila V annuity earns interest in two ways:

- 1. A fixed rate that is guaranteed for the first year. The fixed rate is guaranteed to be at least 1.0% while the annuity is in effect. And the rate will be declared at the beginning of each contract year.
- 2. Both the Barclays Zorya index and the Barclays US Tech index are measured based on the returns over a 1-year period. The value of this annuity also may grow through indexed returns. The amount of the index linked interest depends on how either Barclays index performs. Each index period is measured independently, so you get the advantage of resetting to the current index values each time. The Barclays Zorya index creates a diversified portfolio by combining US Equities and Fixed Income. The Barclays US Tech index seeks to capture the returns of the largest non-financial stocks listed on the Nasdaq by market capitalization.

How is the index interest credited to your account?

This is based on the participation rate applied to the Barclays index returns. The participation rate determines how much of the gain will be credited to the index interest strategy. The participation rates that are set will affect the account value only if there are positive changes in your chosen index from one year to the next. We apply the participation rate only if there are positive returns at the end of each contract year. The participation rate can change each year. During the contract surrender charge period, GCU guarantees that the Zorya Index participation rate will never be less than 85% and the US Tech index will never be less than 40%. Interest earnings will never be less than zero, even if the index returns are negative. At the end of each crediting period, any gains are locked in and can never be taken away.

Can you make additional deposits?

The Aquila V annuity allows for additional deposits up to the annuity's 1st anniversary date.

Here is how the participation rate works:

Hypothetical Example

Participation rate: 115% Barclays Zorya beginning value is: 100 Barclays Zorya ending value is: 107

Formula: Increase in Index = (Ending Zorya Value – Beginning Zorya Value) / Beginning Zorya Value) Increase in Index = (107-100) / 100 = 7%

Interest credited = (Increase in Index) x (Participation Rate)

Interest Credited = 7% x 115% = 8.05%

ACCESS TO YOUR MONEY

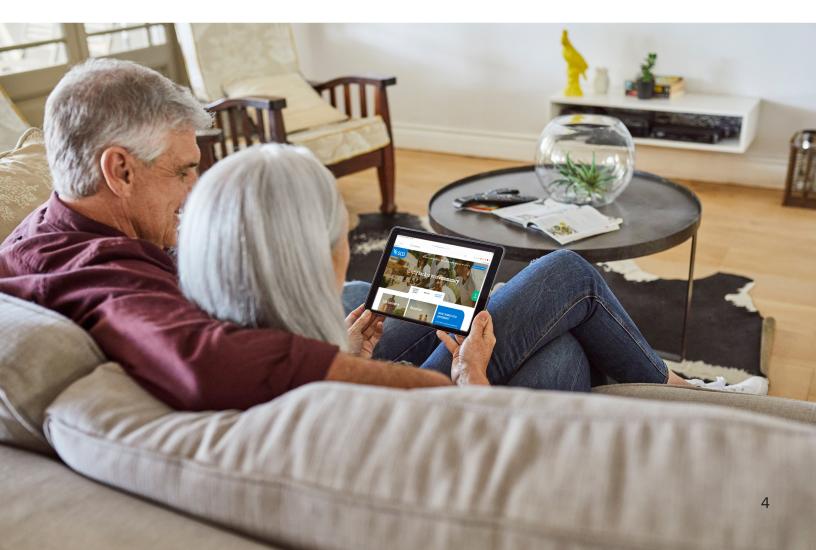
Starting in Year TWO (2) of the contract, and continuing through year FIVE (5), you may withdraw money from your annuity each contract year without paying a surrender charge. The most you can withdraw each year during this period without paying a surrender charge is 10% of the total account value. The minimum withdrawal amount you can take is \$500 and you must maintain at least \$2,000 in the annuity to keep your annuity in-force. After the completion of year FIVE (5) of the contract, any withdrawals taken will not be subject to surrender charges.

Required Minimum Distributions (RMDs) are available to be taken in the GCU Aquila V starting in Year TWO (2) of the contract. A Required Minimum Distribution from an IRA is mandated by the IRS for anyone over the age of 73 for tax qualified money each calendar year. Such withdrawals are considered part of your penalty free withdrawal and will not be subject to a surrender charge or the bonus recapture.

PENALTY FREE

WITHDRAWALS

NOTE: If you have more than one IRA, you must calculate the RMD for **each** IRA separately each year. However, you may aggregate your RMD amounts for all your IRAs and withdraw the total from one IRA or a portion from each of your IRAs. **You do not have to take a separate RMD from each IRA**.



Living benefit riders help you when you need access to your money

Terminal Illness Rider will allow you, at any time after the first policy year, to receive up to 100% of the account value when diagnosed with a terminal illness resulting in a life expectancy of twelve months or less.

Nursing Home Rider will allow you, at any time after first policy year plus 90 days of continual confinement, to receive up to 100% of the account value. We would require annual written proof of confinement.

Wellness Benefit Enhancement Rider* At any time after reaching the Minimum Lifetime Withdrawal Election Age (and after the GLWB Waiting Period and the Wellness Waiting Period), the annuitant may elect to receive Wellness Withdrawals by meeting ALL of the following criteria:

- 1. Home Health Care Services begin after this Rider's effective date;
- 2. The current Account Value is greater than zero; and
- 3. Written proof from a gualified Physician of inability to perform at least two (2) of the six (6) Activities of Daily Living (ADL's).

*PLEASE NOTE: This rider will be offered only if the annuitant is an owner. If the base contract has JOINT owners, GCU will attach this rider only if the JOINT owners are spouses.

Guaranteed Income for your life, to ensure that you will never out live your money.

Income Elevate: is a lifetime income benefit that is calculated by taking an income factor times the account value to determine the lifetime annual payment. This income rider benefit is automatically attached to your annuity free of charge. (See rider disclosure for full explanation of this benefit).

Optional Enhanced Lifetime Withdrawal Benefit Riders

Income Pro: is an optional lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

Income Elite: iis an optional lifetime benefit. The income is determined by taking the account value and adding two times the interest credits to calculate an income benefit base that will be used in calculating your lifetime income. The income base will be multiplied by the income factor to determine your lifetime annual withdrawal. An additional benefit you receive with this rider is the ELITE Premium Bonus, which is based on the first-year premiums in your Aquila V. There is an annual fee for this rider. (See rider disclosure for full explanation of this benefit).

The ELITE Premium Bonus is determined by each applicant's Issue Age.

The Bonus percentages are as follows:

- Bonus = 3% when issue age is 75 or lower
- Bonus = 2% when issue age is 76-80
- Bonus = 1% when issue age is 81+

ELITE Premium Bonus: is only available when the Income Elite rider is chosen.

- This bonus receives the same interest credits that the rest of your policy receives.
- Applies to both your account value as well as your income benefit base.

Contract Year	1	2	3	4	5
Recapture Percentage	100%	90 %	80%	70%	60 %

How the Guaranteed Lifetime Withdrawal Benefit Works:

The Income Benefit Base is determined by which Income option you choose. This value is determined by the account value plus interest credits plus bonus (if selected Income Elite) The Income Elevate applies 1x interest credits to determine the Benefit Base. Income Pro and Income Elite contain a 2x multiplier of interest credits during the 5-year surrender charge period.

How It Works:

Income Benefit Base x Income Factor = Lifetime Annual Income Benefit

Income factors are based on your attained age. The factors increase each year that you wait to begin receiving income payments. Once you start receiving your guaranteed income, it will remain level for your lifetime even if your account has reached a zero balance.

ELEVATE LIFETIME INCOME FACTORS

	Single Life						Join	Joint Life
Attained Age	Income Factor	Attained Age	Income Factor		Attained Age		Income Factor	
50-55	3.50%	68	4.80%		50-55		3.00%	
56	3.60%	69	4.90%		56		3.10%	3.10% 69
57	3.70%	70	5.00%		57	t	3.20%	3.20% 70
58	3.80%	71	5.10%		58		3.30%	3.30% 71
59	3.90%	72	5.20%		59		3.40%	3.40% 72
60	4.00%	73	5.30%		60		3.50%	3.50% 73
61	4.10%	74	5.40%		61		3.60%	3.60% 74
62	4.20%	75	5.50%		62	3.	70%	70% 75
63	4.30%	76	5.60%		63	3.80	%	% 76
64	4.40%	77	5.70%		64	3.90%	6	6 77
65	4.50%	78	5.80%		65	4.00%		78
66	4.60%	79	5.90 %		66	4.10%		79
67	4.70%	80+	6.00%		67	4.20%		80+

Death Benefit

If you die before we start to pay you income from your annuity, your beneficiary can choose to get the accumulation value of your annuity as one payment or as a series of payouts over time. If you die after payouts start, depending on the type of payout you chose, we pay the remaining value in the annuity, if any, to your beneficiary.

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Current INDEXED Rates as of 06-01-2023

INDEX	TERM / INDEX STRATEGY	CURRENT PARTICIPATION RATE*	MINIMUM RATE FIRST 5 YEARS	MINIMUM RATE AFTER 5 YEARS
Barclays Zorya 5% Index	1-Year Point-to-Point with Participation	115%	85%	25%
Barclays US Tech Index	1-Year Point-to-Point with Participation	55%	40%	20%
Fixed Rate	1-Year Term	3.75%	1%	1%

1-Year Point-to-Point Index Strategy:

Index credits are based on the percentage change depending on the index allocation from the previous contract anniversary, multiplied by the participation rate. Minimum participation rates for both the Zorya and US tech Index are shown above.

FIXED-Rate Account (1-Year Interest):

The fixed account interest rate is guaranteed for the first contract year. On contract anniversary, the interest rate will adjust to a new declared interest rate but will never be lower than the Minimum Guaranteed Interest Rate, currently 1.00% for new contracts issued on or after April 1, 2023. Additional premiums received in the first contract year after the initial premium are deposited to the Fixed Account. On contract anniversary, the owner may reallocate funds in the Fixed Account to available Indexed Accounts subject to established minimums.



GCU does not offer investment advice to any individual or agent and this material should not be construed as investment advice.



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Policy Features

Modified Single Premium (additional premiums allowed year 1)

Issue Age: 0-90

Non-Qualified/Qualified Funds (IRA, Roth IRA, SEP IRA)

Contracts are Issued Daily

Minimum Premium	\$10,000
Maximum Premium	\$1,000,000 (larger amounts will be considered w/prior home office approval)
5-year Surrender Charge Schedule	9%, 8%, 7%, 6%, 5%
Penalty-Free Withdrawals	10% of the account value starting year 2

Guaranteed Lifetime Withdrawal Benefit Riders

Income Elevate:

- Free
- Guaranteed Lifetime Withdrawal Benefit (GLWB) Rider

Income Pro:

- .35 fee
- Guaranteed Lifetime Withdrawal Benefit (GLWB) Rider
- Enhanced Benefit Base Credits

Income Elite:

- .75 fee
- Enhanced Guaranteed Minimum Lifetime Withdrawal Benefit (Enhanced GLWB) Rider
- Enhanced Benefit Base Credits
- Includes a bonus feature:
- Bonus = 3% when issue age 75 or lower
- Bonus = 2% when issue age 76-80

Bonus = 1% when issue age 81+

Interest Crediting Strategies

One-Year Fixed

One-Year Point-to-Point with Participation Rate

Two Indices Available

Embedded Riders

Terminal Illness Rider

Nursing Home Rider

Wellness Benefit Enhancement Rider





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FEES & OTHER CHARGES

W H & call

When you take money from your annuity, you may lose some or all your credited interest. If you take out all (a full surrender) or part (a partial surrender) of the money, you also may have to pay a surrender charge. The amount of the charge depends on how long you have had the annuity and how much you withdraw.

•	lere is the surrender charge schedule	
	Contract year 1 2 3 4	
	Surrender charge 9% 8% 7% 6%	5%

Disclaimer

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